## **REMARKS**

The Office Action in the above-identified application has been carefully considered and this amendment has been presented to place this application in condition for allowance.

Accordingly, reexamination and reconsideration of this application are respectfully requested.

Claims 1-19 are in the present application. It is submitted that these claims are patentably distinct over the prior art cited by the Examiner, and that these claims are in full compliance with the requirements of 35 U.S.C. § 112. The changes to the claims, as presented herein, are not submitted for the purpose of patentability within the meaning of 35 U.S.C. sections 101, 102, 103 or 112. Rather, these changes are submitted simply for clarification and to round out the scope of protection to which Applicants are entitled.

Claims 1, 4-7, and 12-16 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Koz (U.S. Patent 5,990,955) in view of Guenther et al. (U.S. Patent 6,418,422) and further in view of Wonfor et a. (U.S. Patent 6,381,747).

However, the present claims now recite "security means for executing an authorization process by exchanging authorization data with the signal processing circuit of a memory card inserted into said terminal to determine whether said memory card supports copyright protection." (Claims 1, 8, 12, and 17) The security means, which corresponds to security block 3 (SSAM(D)), exchanges authorization data with the signal processing circuit for copyright protection in the memory card, which corresponds to security block 52 (SSAM(M)). (Figure 1; Specification pages 18-19) The result of the authorization process are then used by the judging

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means 2b to determine whether the inserted memory card has copyright protection (i.e. whether it is a first or second memory card). (Specification page 30, lines 22-24)

The apparatus can then switch between a first recording mode and a second recording mode of lower quality than the first recording mode on the basis of whether the loaded memory card is judged as being of the first or second type. Even if a user mistakenly inserts a memory card of the second type, content can still be recorded, albeit at a lower quality, because the recording apparatus has the second recording mode for recording on a memory card without a copy protection circuit.

Applicants respectfully submit that none of the cited references, Koz, Guenther and Wonfor, disclose a security means which performs an authorization process whose results are used by a separate judging means to determine whether an inserted memory card has a copyright protection circuit as required in the present claims. The Examiner previously added the Wonfor reference to meet the limitation of "the first memory card carrying a signal processing circuit for copyright protection; and judging on the basis of whether said memory card supports copyright protection." (Office Action page 5) However, Wonfor discloses a copy protection circuit in a set-top box to prevent downstream recording of copyrighted content. (see Figure 2) Hence, Wonfor does not disclose an inserted "memory card carrying a signal processing circuit for copyright protection" as required in the present claims.

Additionally, the present invention judges whether an inserted memory card supports copyright protection and controls the selection of the first or second signal to be recorded on the memory card based on this judgment. Neither Koz, Guenther, nor Wonfor meets the limitation of "judging whether the memory card inserted into said terminal apparatus is said first memory card or said second memory card on the basis of the authorization process performed by the

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security means" and "controlling said selecting means in accordance with a judgment made by said judging means" as required in the present invention.

Therefore, for at least these reasons, the combination of Koz, Guenther, and Wonfor fails to obviate the present invention and the rejected claims should now be allowed.

Claims 2-3 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Koz in view of Guenther and Wonfor, and still further in view of Fuchigami et a. (U.S. Patent 6,160,953). Claims 8-11 and 17-19 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Koz in view of Guenther and Wonfor, and still further in view of Nejime et a. (U.S. Patent 5,717,818). Fuchigami and Nejime are relied upon solely to meet various limitations of the dependent claims. However, Fuchigami and Nejime fail to meet the same independent claim limitations discussed above in the relation to Koz, Guenther and Wonfor. Accordingly, the combination of Fuchigami and/or Nejime with Koz, Guenther, and Wonfor fails to obviate the present invention and the rejected claims should be allowed.

In view of the foregoing amendment and remarks, it is respectfully submitted that the application as now presented is in condition for allowance. Early and favorable reconsideration of the application are respectfully requested.

No additional fees are deemed to be required for the filing of this amendment, but if such are, the Examiner is hereby authorized to charge any insufficient fees or credit any overpayment associated with the above-identified application to Deposit Account No. 50-0320.

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If any issues remain, or if the Examiner has any further suggestions, he/she is invited to call the undersigned at the telephone number provided below. The Examiner's consideration of this matter is gratefully acknowledged.

Respectfully submitted, FROMMER LAWRENCE & HAUG LLP

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